

City of Detroit

CITY COUNCIL

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TO: Daryl Lundy, Director
Detroit Office of Homeland Security

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: April 27, 2007

RE: 2007-2008 Budget Analysis

19.

Attached is our budget analysis regarding your department's budget for the upcoming 2007-2008 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing. We would then appreciate a written response to the issues/questions at your earliest convenience subsequent to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Roger Short, Finance Department Director
Pamela Scales, Budget Department Director
Alia Moss, Budget Manager
Kandia Milton, Mayor's Office

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Office of Homeland Security (46)

FY 2007-2008 Budget Analysis by the Fiscal Analysis Division

Summary

The Office of Homeland Security is a General Fund agency responsible for coordinating and providing leadership to counteract terrorism. This office uses an integrated approach in establishing preventative measures, executing emergency operations, planning, and providing training to minimize the impact of any catastrophic event that may occur to the people, property, environment, or economy of the City of Detroit.

The recommended fiscal year 2007-2008 appropriations for the Office of Homeland Security total \$592,038, which is a \$160,759 (37.27%) increase over the current fiscal year's budget. The budgeted net tax cost for fiscal year 2007-2008 is \$534,668, \$148,389 more than the current fiscal year's budget.

2006-2007 Surplus/Deficit

The Administration anticipates a deficit of \$117,945 for the Office of Homeland Security for fiscal year 2006-2007. This deficit is primarily due to an encumbered position that is not included in the current year's budget, which includes the salaries of four full-time employees. However, the office currently has five full-time employees.

Overtime

The Mayor's proposed budget for fiscal 2007-2008 includes \$9,336 for overtime in the Office of Homeland Security. This is the same amount of overtime that is included in the current year's budget. As of March 31, 2007, \$9,356 was spent on overtime pay.

Significant Changes in Funding by Appropriation

<u>Appropriation</u>	<u>Program</u>	
11515	Detroit Office of Homeland Security	The Mayor recommends a total increase of \$160,759 in the proposed 2007-2008 budget over the current year's budget for this appropriation. The increase is a result of rising costs of \$109,946 in salaries and wages, \$56,133 in employee benefits, \$2,500 in operating supplies, and declining cost of \$7,820 in operating services. The increase is primarily due to the Emergency Management Coordinator position that is filled but is not included in the current year's (2006-2007) budget.

Significant Revenue Changes by Appropriation

<u>Appropriation</u> 11515	<u>Program</u> Detroit Office of Homeland Security	The Mayor recommends a total increase of \$12,370 over the current year's budget for personal services. The Office of Homeland Security is entitled to approximately 50% of its Emergency Management Coordinator's salary in reimbursement cost under the State of Michigan Act 390 Program. The \$12,370 is approximately half of the projected increase in the coordinator's salary.
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Budgeted Professional and	FY 2006-07	FY 2007-08	Increase
<u>Contractual Services by Activity</u>	<u>Budget</u>	<u>Recommended</u>	<u>(Decrease)</u>
Detroit Office of Homeland Security	\$ _____ -	\$ _____ -	\$ _____ -
Total	\$ _____ -	\$ _____ -	\$ _____ -

Personnel and Turnover Savings

The Mayor proposes no employee turnover savings for the Office of Homeland Security.

<u>Appropriation/Program</u>	<u>Budgeted Positions FY 2006-07</u>	<u>Filled Positions 3/31/2007</u>	<u>Mayor's Budget Positions FY 2007-08</u>	<u>Over/(Under) Actual to 06/07 Budget</u>	<u>Mayor's Recommended Turnover</u>
Detroit Office of Homeland Security (46):					
460010 Homeland Security Administration	4	5	5	1	\$ -
460170 Public Safety Security Services	0	0	0	0	\$ -
11515 Detroit Office of Homeland Security	<u>4</u>	<u>5</u>	<u>5</u>	<u>1</u>	<u>\$ -</u>
TOTAL	<u>4</u>	<u>5</u>	<u>5</u>	<u>1</u>	<u>\$ -</u>

Proposed Layoffs and Vacant Position Reductions

No layoffs or position reductions are scheduled for fiscal year 2007-2008.

Issues and Questions

1. The Office of Homeland Security plans to coordinate and develop the establishment of the Detroit Information and Intelligence Fusion Center. What funding sources will be used to construct the center (page 46-2)?
2. When will the construction of the center begin?

3. What funding source will be used to maintain the center when the construction is completed?
4. What funds will be used to provide salaries and wages to the staff operating the center?
5. The Office of Homeland Security spent \$2,865 on travel in the current fiscal year (2006-2007). However, no amount is included in the current budget for travel. Why did the office travel? The proposed 2007-2008 budget also does not include an amount for travel. Does the office plan to travel in fiscal year 2007-2008? If so, for what purpose?
6. By what authority did the department encumber the Emergency Management Coordinator position in the current year's budget without a budget for the position, thereby creating a deficit in the department?
7. Does the department anticipate the City receiving more federal Homeland Security grants in 2007-08?